GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:54
ANSWERED ON:30.11.2015
Tyre Industry
Vanaroja Smt. R.

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that dumped tyre from China has peaked to 30 per cent of the replacement market in India and it is hurting both rubber farmers and the Indian tyre industry; and if so, the details thereof;
(b) whether the Government has received any representation from the tyre industry in this regard; and
(c) if so, the details thereof and the steps taken by the Government in this regard?

Answer

??????? ??? ?????? ??????????? (???????? ??????)(??????? ??????? ???????)
THE MINISTER OF STATE (INDEPENDENT CHARGE)
OF THE MINISTRY OF COMMERCE & INDUSTRY
(SHRIMATI NIRMALA SITHARAMAN)

(a): No, Madam. As per information provided by Automotive Tyre Manufacturers' Association (ATMA) sale of only one category of Chinese tyres i.e. Truck/ Bus Radial Tyres has peaked to 30% of the replacement market.

(b): Yes. Automotive Tyre Manufacturers Association (ATMA) has requested to put import of Truck/ Bus Radial Tyres in the restricted list, commence investigation on dumping of tyres from China and for increasing customs duty on tyres.

(c): As per trade data, (Annexure) the volume of import of tyres had actually come down during 2014-15 from a high of 2013-14/2012-13 and has increased only in May 2015-16. It will be too early to place an immediate restriction on the basis of the trend noticed in May-June 2015. Investigation on dumping of tyres from China has been referred to Directorate General of Anti-Dumping and Allied Duties (DGAD) and Director General, Safeguards respectively for examination and appropriate action. Further, the Competition Commission of India is investigating a case against certain tyre companies for alleged contravention of the provisions of Section 3 (Anti-competitive agreements) of the Competition Act, 2002. Moreover increasing the customs duty on tyres beyond 10% would not be desirable since the customs duty as per Foreign Trade Agreements (FTAs) are lower.
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